

ORDER NO. 1748

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Robert G. Taub, Vice Chairman;  
Mark Acton;  
Tony Hammond; and  
Nanci E. Langley

Competitive Product Prices  
Express Mail Contract 13 (MC2013-32)  
Negotiated Service Agreement

Docket No. CP2013-41

NOTICE AND ORDER CONCERNING AMENDMENT TO EXPRESS MAIL  
CONTRACT 13 NEGOTIATED SERVICE AGREEMENT

(Issued June 13, 2013)

I. INTRODUCTION

On June 12, 2013, the Postal Service filed notice that it has agreed to an amendment to the existing Express Mail Contract 13 (Amendment), which was added to the competitive product list in this docket.<sup>1</sup> In its Notice, the Postal Service includes Attachment A, a redacted copy of the Amendment. It also filed the unredacted Amendment and supporting financial information under seal.

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<sup>1</sup> Notice of United States Postal Service of Change in Prices Pursuant to Amendment to Express Mail Contract 13, June 12, 2013 (Notice).

The Postal Service asserts that the Amendment will become effective one day after the day that the Commission completes its review. *Id.* at 1. It also seeks to incorporate by reference the Application for Non-Public Treatment originally filed in this docket for the protection of the information that it has filed under seal. *Id.*

The Amendment changes the annual adjustment mechanism for the second and third years of the contract. *Id.* Attachment A at 1. While the initial contract failed to include an annual adjustment provision, the Amendment bases the price increases for the second and third years of the agreement on the lesser of the average increase in prices of general applicability for “Express Mail Commercial Plus” or the previous year’s prices plus an adjustment factor. *Id.*

In Order No. 1640, the Commission conditionally approved the contract’s three-year term on the Postal Service’s representations that the standard annual adjustment provision was inadvertently excluded from the contract and an amendment to the contract would be filed to remedy the exclusion.<sup>2</sup> The Commission found that “[i]f the forthcoming amendment contains only the standard annual adjustment provision. . . the contract is authorized for the three-year term.” *Id.* at 5-6. However, the Commission cautioned that if the amendment were to differ from the standard annual adjustment provision or contain additional terms, the Commission would notice the Amendment for comment prior to making a determination on the contract’s further approval. *Id.* at 6. Since the adjustment provision differs from the standard adjustment provision, the Commission is noticing the Amendment for comment.

## II. NOTICE OF FILINGS

Interested persons may submit comments on whether the changes presented in the Postal Service’s Notice are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642, 39 CFR 3015.5, and 39 CFR part 3020, subpart B. Comments are due no later

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<sup>2</sup> Order Adding Express Mail Contract 13 to the Competitive Product List and Conditionally Approving the Associated Negotiated Service Agreement, January 25, 2013, at 5 (Order No.1640).

than June 20, 2013. The public portions of these filings can be accessed via the Commission's website (<http://www.prc.gov>).

Lawrence Fenster will continue to serve as Public Representative in this docket.

### III. ORDERING PARAGRAPHS

*It is ordered:*

1. The Commission shall reopen Docket No. CP2013-41 to consider the amendment to Express Mail Contract 13.
2. Pursuant to 39 U.S.C. 505, Lawrence Fenster is appointed to continue to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in these proceedings.
3. Comments by interested persons in these proceedings are due no later than June 20, 2013.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Ruth Ann Abrams  
Acting Secretary